

In the Matter of	)	
	)	Order No. D 04-147
NATIONAL WILDLIFE FEDERATION,	)	
	)	CONSENT AND ORDER
a Charitable Organization with	)	TO PAY FINE
Certificate of Exemption.	)	
	)	

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#### FINDINGS OF FACT

- 1) National Wildlife Federation is a charitable organization with a Certificate of Exemption pursuant to RCW 48.38.010 to sell charitable gift annuities.
- 2) An organization selling charitable gift annuities and holding a Certificate of Exemption is to maintain minimum unrestricted net asset of \$500,000.
- 3) An organization which fails to maintain the minimum unrestricted net assets may not issue any new charitable gift annuities until the institution has and maintains the minimum required by RCW 48.38.010(6).
- 4) A review of the Northwest Wildlife Federation's IRS 990 form reveals as of 8/31/02, it failed to maintain adequate unrestricted net assets. During this time it issued seven annuities to Washington residents.

#### CONCLUSIONS OF LAW

- 1) In failing to maintain adequate unrestricted net assets of \$500,000, National Wildlife Federation violated RCW 48.38.010(6).
- 2) In issuing seven new charitable gift annuities during the time it failed to maintain adequate unrestricted net assets, National Wildlife Federation violated RCW 48.38.012.

CONSENT TO ORDER

NOW, THEREFORE, National Wildlife Federation consents to the following in consideration of the desire to resolve this matter without further administrative or judicial proceedings, and the Insurance Commissioner consents to settle the matter in consideration of the organizational fine and such terms and conditions as are set forth below:

- 1) National Wildlife Federation does consent to the foregoing Findings of Fact and Conclusions of Law as they pertain to these facts, consents to the entry of this Order and waives further administrative or judicial challenge to the OIC's action related to the subject matter of the Order;
- 2) Within thirty days of the entry of this Order National Wildlife Federation agrees to pay to the OIC a fine in the amount of \$22,500 of which \$17,500 is suspended for a period of two years on condition that there be no additional violations of the provisions of the Washington State Insurance Code or Washington Administrative Code which are the subject of this Order;
- 3) Within six months of the entry of this Order, National Wildlife Federation will submit a financial report to the OIC illustrating its compliance with the minimum unrestricted net assets requirement or in the alternative will show it has been approved to, and does then transfer the annuity liability to the National Wildlife Federation Endowment.
- 4) Immediately upon entry of this Order, the certificate of exemption of National Wildlife Federation is suspended until such time as it is shown it has met the minimum unrestricted net assets requirements.

EXECUTED this 7<sup>th</sup> day of September, 2004.

NATIONAL WILDLIFE FEDERATION

By: \_\_\_\_\_

Title: \_\_\_\_\_

ORDER OF THE INSURANCE COMMISSIONER

NOW, THEREFORE, pursuant to the foregoing Findings of Fact, Conclusions of Law, Consent to Order, and RCW 48.38.050, the Insurance Commissioner hereby orders as follows:

- 1) National Wildlife Federation is ordered to pay a fine in the amount of \$22,500, of which amount \$17, 500 is suspended upon the condition that Washington Wildlife Federation fully complies, for two years, with the laws and regulations of the State of Washington which are the subject of this Order.
- 2) Immediately, upon entry of the Order, the certificate of exemption of National Wildlife Federation is suspended until such time as National Wildlife Federation maintains the minimum unrestricted net assets required by RCW 48.38.010(6).
- 3) Within six months of entry of this Order, National Wildlife Federation will submit the OIC and financial report illustrating sufficient unrestricted net assets or in the alternative will show it has been approved to, and does then transfer its annuity liability to the National Wildlife Federation Endowment.
- 4) Failure to comply with the terms of this Order shall result in the revocation of the Certificate of Exemption, and in the recovery of both the suspended and unsuspended amounts of the fine through a civil action brought in behalf of the commissioner by the attorney general.

ENTERED AT TUMWATER, WASHINGTON this 7t day of October, 2004.

Mike Kreidler  
Insurance Commissioner

By: \_\_\_\_\_  
Mary M. Cotter  
Staff Attorney, Legal Affairs